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12
13 UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

14
15 Case No. 2:25-cv-01936

16 NEW ENGLAND TEAMSTERS
PENSION FUND, Individually and on
17 Behalf of All Others Similarly
Situated,

18
19 Plaintiff,

20 v.

21 THE TRADE DESK, INC., JEFFREY
22 T. GREEN, LAURA SCHENKEIN,
23 and SAMANTHA JACOBSON,
24 Defendants.

CLASS ACTION COMPLAINT FOR
VIOLATIONS OF THE FEDERAL
SECURITIES LAWS

DEMAND FOR JURY TRIAL

25
26 Plaintiff New England Teamsters Pension Fund (“Plaintiff”), individually and
27 on behalf of all others similarly situated, by and through its counsel, alleges the
28 following upon information and belief, except as to those allegations concerning

1 Plaintiff, which are alleged upon personal knowledge. Plaintiff’s information and
2 belief are based upon, *inter alia*, counsel’s investigation, which includes review and
3 analysis of: (1) The Trade Desk, Inc.’s (“Trade Desk” or the “Company”) regulatory
4 filings with the U.S. Securities and Exchange Commission (“SEC”); (2) press releases
5 and media reports issued and disseminated by the Company; (3) analyst and media
6 reports concerning the Company; and (4) other public information regarding the
7 Company, including statements made by Trade Desk executives. Plaintiff believes that
8 substantial additional evidentiary support exists for the allegations set forth herein after
9 a reasonable opportunity for discovery.

10 NATURE OF THE ACTION

11 1. This securities class action is brought on behalf of all persons or entities
12 that purchased or otherwise acquired Trade Desk Class A common stock between May
13 9, 2024 and February 12, 2025, inclusive (the “Class Period”). The claims asserted
14 herein are alleged against Trade Desk, its Chief Executive Officer, Jeffrey T. Green
15 (“Defendant Green”), its Chief Financial Officer, Laura Schenkein (“Defendant
16 Schenkein”), and its Chief Strategy Officer, Samantha Jacobson (“Defendant
17 Jacobson”) (collectively, the “Defendants”), arise under Sections 10(b) and 20(a) of
18 the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5
19 promulgated thereunder.

20 2. Trade Desk is a Ventura, California-based technology company that
21 operates a cloud-based digital platform that helps advertisers place ads on websites,
22 podcasts, and streaming services. The Company was founded in 2009 and completed
23 its initial public offering (“IPO”) in September 2016. From its IPO to the end of the
24 Class Period, Trade Desk consistently reported increasing yearly revenues and
25 repeatedly hit projected sales guidance targets.

26 3. On June 6, 2023, approximately one year before the start of the Class
27 Period, Trade Desk introduced Kokai, its new and enhanced media buying and
28 analytics demand-side platform (“DSP”), an intermediary facilitating the placement

1 of advertisements between advertisers (the demand side) and publishers (the supply
2 side). Trade Desk described Kokai as the “most advanced product launch” in the
3 Company’s history, following previous platform rollouts NextWave in 2018 and
4 Solimar in 2021. Kokai purports to allow clients to use artificial intelligence (“AI”)
5 to process 15 million advertising opportunities per second and deploy data about their
6 most loyal customers as a “seed” to grow and target new audiences.

7 4. As the Company began transitioning its clients from its older advertising
8 platform Solimar to Kokai, Trade Desk assured investors that it expected “full
9 adoption” of Kokai by existing Trade Desk customers “over the course of 2024.”
10 Defendants also told investors after the June 2023 launch of Kokai, it “would take about
11 a year to roll out in its entirety.”

12 5. Defendants touted Kokai as a “large growth driver” and claimed that
13 Kokai would have a positive impact on Trade Desk’s revenue metrics. For example,
14 in May 2024, Defendant Green publicly stated, “I believe our revenue growth
15 acceleration in the first quarter speaks to the innovation and value that we are
16 delivering to our clients with Kokai.” Similarly, in August 2024, Defendant Green
17 publicly stated, “I’ve been incredibly encouraged by the early results from Kokai”
18 showing that “incremental reach is up more than 70%, cost per acquisition has
19 improved by about 27%, and data elements per impression have gone up by about
20 30%.”

21 6. Defendants also underplayed the growing competitive threats to Kokai
22 from Amazon DSP and other platforms. Defendants emphasized Trade Desk’s
23 independence as a key differentiator in contrast to Amazon’s “objectivity problem”
24 that had potential conflicts of interest with retailers and advertisers. For example, in
25 discussing the competitive threat from Amazon, Defendant Green stated that, “I
26 actually don’t think they’re that competitive.” When asked about what allowed Trade
27 Desk to overperform its competitors during an earnings call on August 8, 2024,
28 Defendant Green responded: “I don’t know that I have ever been more proud of our

1 team across the board, not just in our go-to-market teams, but of course, our
2 engineering team, and throughout the entire company [and] I don't know that we've
3 ever been firing on all cylinders in the way that we are right now.”

4 7. These statements, among others, were materially false and misleading
5 and/or failed to disclose material adverse facts about Trade Desk's business,
6 operations, and prospects. Specifically, Defendants failed to disclose that: (i) Trade
7 Desk was experiencing significant performance issues with the Kokai platform that
8 were negatively impacting customer adoption; (ii) Trade Desk was deliberately
9 slowing the pace of its Kokai rollout to maximize short-term profits; (iii) competition
10 from Amazon and other competing platforms was taking substantial market share
11 away from Trade Desk; (iv) Trade Desk's engineering and sales teams were not
12 adequately structured to support the Kokai rollout and fend off mounting competition;
13 and (v) as a result of the forgoing, Defendants' positive statements about its business,
14 operations, and prospects were materially false and misleading and/or lacked
15 reasonable basis at all relevant times.

16 8. The truth about the Company's unsuccessful Kokai rollout and its loss of
17 market share to competing platforms was revealed to the market on February 12, 2025.
18 On that date, Trade Desk disclosed that its fourth quarter 2024 revenue missed
19 analysts' forecasts due to a series of execution missteps with the Kokai rollout that
20 prompted a major corporate restructuring. During the earnings call held that same
21 day, Defendant Green explained that “Kokai rolled out slower than we anticipated”
22 and “in some cases, the slower Kokai rollout was deliberate” because “a quicker
23 rollout would result in more short-term spend.” Defendant Green also stated that “We
24 are recalibrating our larger company for an even stronger future,” including with “the
25 largest reorganization in company history in December.”

26 9. Analyst were not only surprised by the failed Kokai rollout, but they also
27 concerned about Trade Desk's competitive landscape. For example, analysts at RBC
28 Capital Markets noted that a “series of small execution missteps” contributed to the

1 shortfall in expectations, and that “results likely build on investor competitive
2 concerns.” Similarly, analysts at Wedbush Securities noted that “the
3 underperformance in the quarter amplifies a number of recent debates, including the
4 strength of the company’s competitive position.”

5 10. On this news, Trade Desk’s stock price fell \$40.31 per share, or **33**
6 **percent**, to close at \$81.92 per share on February 13, 2025.

7 11. As a result of Defendants’ wrongful acts and omissions, and the
8 precipitous decline in the market value of the Company’s stock, Plaintiff and other
9 Class members have suffered significant losses and damages.

10 **JURISDICTION AND VENUE**

11 12. The claims asserted herein arise under and pursuant to Sections 10(b) and
12 20(a) of the Exchange Act, 15 U.S.C. §§ 78j(b) and 78t(a), and Rule 10b-5
13 promulgated thereunder by the SEC, 17 C.F.R. § 240.10b-5.

14 13. This Court has jurisdiction over the subject matter of this action pursuant
15 to 28 U.S.C. § 1331 and Section 27 of the Exchange Act.

16 14. Venue is proper in this Judicial District pursuant to Section 27 of the
17 Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. § 1391(b). Trade Desk is
18 headquartered in this Judicial District, Defendants conduct business in this Judicial
19 District, and a significant portion of Defendants’ activities took place within this
20 Judicial District.

21 15. In connection with the acts alleged in this complaint, Defendants, directly
22 or indirectly, used the means and instrumentalities of interstate commerce, including,
23 but not limited to, the mails, interstate telephone communications, and the facilities of
24 the national securities markets.

25 **PARTIES**

26 16. Plaintiff, as set forth in the attached Certification, acquired Trade Desk
27 common stock at artificially inflated prices during the Class Period and was damaged
28 upon the revelation of the alleged corrective disclosures.

1 17. Defendant Trade Desk was a Delaware corporation with principal
2 executive offices located at 42 N. Chestnut Street in Ventura, California. On
3 November 15, 2024, Trade Desk filed a certificate of conversion with the State of
4 Delaware and articles of conversion with the State of Nevada after reincorporation
5 was approved by the Company’s stockholders at a special meeting held the day before.
6 Trade Desk’s Class A common stock trades in an efficient market on the Nasdaq Stock
7 Market (“NASDAQ”) under the ticker symbol “TTD.” As of January 31, 2025,
8 452,425,879 shares of Trade Desk’s Class A common stock were outstanding, owned
9 by thousands of investors.

10 18. Defendant Green has served as Trade Desk’s Chairman of the Company’s
11 Board of Directors (“BOD”), President, and Chief Executive Officer at all relevant
12 times. Defendant Green is also the Company’s co-founder.

13 19. Defendant Schenkein has served as Trade Desk’s Chief Financial Officer
14 at all relevant times.

15 20. Defendant Jacobson has served as a Director on the Company’s BOD and
16 Trade Desk’s Chief Strategy Officer at all relevant times.

17 21. Defendant Green, Defendant Schenkein, and Defendant Jacobson are
18 collectively referred to herein as the “Individual Defendants.” The Individual
19 Defendants, because of their positions with Trade Desk, possessed the power and
20 authority to control the contents of Trade Desk’s reports to the SEC, press releases,
21 and presentations to securities analysts, money portfolio managers and institutional
22 investors, *i.e.*, the market. Each of the Individual Defendants was provided with
23 copies of the Company’s reports and press releases alleged herein to be misleading
24 prior to, or shortly after, their issuance and had the ability and opportunity to prevent
25 their issuance or cause them to be corrected. Because of their positions and access to
26 material non-public information available, the Individual Defendants knew that the
27 adverse facts specified herein had not been disclosed to, and were being concealed
28 from, the public, and that the positive representations which were being made were

1 then materially false and misleading. The Individual Defendants are liable for the
2 false statements pleaded herein, as those statements were each “group-published”
3 information, the result of the collective actions of the Individual Defendants.

4 22. Trade Desk is liable for the acts of the Individual Defendants, and its
5 employees under the doctrine of *respondeat superior* and common law principles of
6 agency as all the wrongful acts complained of herein were carried out within the scope
7 of their employment with authorization.

8 23. The scienter of the Individual Defendants, and other employees and agents
9 of the Company are similarly imputed to Trade Desk under *respondeat superior* and
10 agency principles.

11 **SUBSTANTIVE ALLEGATIONS**

12 **Background**

13 24. Founded in 2009, Trade Desk specializes in programmatic advertising
14 through a self-service, cloud-based platform. The Trade Desk platform allows
15 advertising buyers to create, manage, optimize, and measure data-driven digital
16 advertising campaigns across various formats and channels, including video, audio,
17 digital-out-of-home, and social media. Users can select target audiences, build custom
18 audiences by uploading first-party data, upload creative content, and choose where to
19 activate campaigns by selecting from various inventory options.

20 25. Trade Desk employs a stock market-like programmatic auction system to
21 compete for advertising impressions in real-time. Programmatic buying through
22 Trade Desk involves placing bids on available inventory through this auction process,
23 as opposed to buying directly from publishers like Disney and *The New York Times*,
24 allowing buyers to participate in advertising auctions in the short time it takes for a
25 digital advertisement to load. Users can set maximum and minimum bids, providing
26 a bracket for the algorithm to work within, rather than a fixed bidding amount. The
27 Company’s primary focus is on automating the workflow of “pitch to pay” for end
28

1 users, particularly agency holding companies, enabling them to execute integrated
2 campaigns with millions of impressions across multiple channels and devices.

3 26. Trade Desk generates revenue by charging clients a fixed platform fee
4 based on a percentage of their total advertising spend on the platform for self-service
5 use of their platform, where clients handle campaign setup and execution themselves.
6 The platform also offers advanced features such as the ability to dynamically trade on
7 different exchanges for the same publisher, potentially allowing users to secure better
8 pricing. For managed service campaigns, where Trade Desk handles trading and
9 setup, an incremental fee is charged on top of the platform fee. Additionally, Trade
10 Desk's "fee features," which allow for customization and optimization of advertising
11 campaigns, are a key revenue driver and generate significant margins for the
12 Company.

13 27. Trade Desk introduced NextWave in 2018 and Solimar in 2021. On June
14 6, 2023, Trade Desk launched Kokai, the successor to the Solimar platform.
15 According to Trade Desk, Kokai allows clients to deploy data about their most loyal
16 customers and use it as a seed to grow and target new audiences across thousands of
17 destinations on the open internet, leveraging AI to process millions of advertising
18 opportunities per second. This AI-based approach purported to offer highly accurate
19 targeting by rapidly leveraging granular data, significantly reducing campaign waste,
20 and enhancing the relevance of advertising placements. Unlike traditional methods
21 that often rely on broader, less precise targeting, Trade Desk claimed that Kokai's
22 seed-based approach would ensure that advertisements efficiently reach the most
23 relevant audiences.

24 28. Trade Desk operates in a very competitive and rapidly changing industry,
25 competing with divisions of larger, well-established supply-side advertising networks
26 like Google Ad Manager and Meta Audience Network, as well as other demand-side
27 platforms like Amazon DSP that arrange advertising on internet-connected televisions
28 ("CTV"). Over the course of the Class Period, analysts expressed concern about

1 Amazon taking market share from Trade Desk because of its expansive data
2 ecosystems, superior resources, proprietary information about the consumers, and
3 real-time data from over 315 million active users worldwide.

4 **Materially False and Misleading Statements Issued During the Class Period**

5 29. The Class Period begins on May 9, 2024, the day after Trade Desk issued
6 a press release announcing its financial results for the first quarter of 2024 (the “Q1
7 2024 Press Release”). In the Q1 2024 Press Release, Trade Desk reported revenue of
8 \$491 million, representing growth of 28 percent year-over-year. The Q1 2024 Press
9 Release quoted Defendant Green as stating:

10 With the continued strong growth of [internet-connected
11 TVs], the growing ubiquity of [open-source consumer privacy
12 protocol] UID2, new approaches to authentication, greater
13 deployment of first-party data and retail data, and *with
significant AI advances in our Kokai platform, we are
better positioned than ever to deliver premium value to
advertisers and continue to gain market share.*

14 30. In the Q1 2024 Press Release, Trade Desk touted the competitive
15 advantages that it had against other CTV advertising platforms like Amazon DSP,
16 which participates on both the demand-side and supply-side of advertising auctions:

17 The Trade Desk offers the largest CTV inventory marketplace
18 in the industry, giving advertisers unmatched access to
19 premium content across major networks and ad-supported
20 streaming services around the world. *Because we do not
compete in content or supply, we have built lasting
relationships with premium publishers to help brands
confidently engage their audiences and drive measurable
results.*

21 31. During the corresponding earnings call held that same day (the “Q1 2024
22 Earnings Call”), Defendant Green touted Kokai’s growth prospects:

23 The innovations in our Kokai platform will help our clients
24 take advantage of this revaluation and fully leverage data-
25 driven buying to fuel their own business growth. As a
26 result, I’ve never been more optimistic about the future of the
27 Open Internet and *our ability to gain more than our fair
share of the nearly \$1 trillion advertising [total addressable
market].*

1 32. During the Q1 2024 Earnings Call, Defendant Green stated, “*I believe*
2 *our revenue growth acceleration in the first quarter speaks to the innovation*
3 *and value that we are delivering to our clients with Kokai.*” Specifically,
4 Defendant Green touted the innovations that led the Kokai platform to drive demand-
5 side revenue:

6 One of the major innovations in Kokai is the Sellers and
7 Publishers 500 Plus. *This is a curated marketplace that*
8 *represents the best of the Open Internet, the premium*
9 *Internet, where consumers spend the majority of their time*
10 *online. It’s live sports events such as March Madness,*
11 *where we saw a 200% increase in spend compared to a year*
12 *ago. It’s the latest movies and hot TV shows, it’s music and*
13 *podcasts on platforms like Spotify, it’s trusted journalism.*

14 Defendant Green further stated that new Kokai updates would be rolled out to nearly
15 all of its customers “over the next few quarters”:

16 As a reminder, last year on 06/06, we started shipping
17 Kokai. This platform launch is different for us because 06/06
18 last year marked just the beginning, and we’ve been shipping
19 new features ever since. *We are quickly approaching some*
20 *of the biggest UX and product rollouts of Kokai that nearly*
21 *all of our customers will begin to use and see benefits from*
22 *over the next few quarters, including a game-changing AI-*
23 *fueled forecasting tool.*

24 33. Additionally, during the Q1 2024 Earnings Call, Defendant Schenkein
25 reiterated the role of Kokai in propelling the Company’s growth, stating, “All of our
26 progress in areas such as CTV, Retail Media, Kokai and [security protocol] UID2 helped
27 deliver another quarter of *consistently strong growth and profitability to start 2024.*”

28 34. During the Q1 2024 Earnings Call, Defendant Schenkein also stated that
the Company was “executing” on Kokai as a long-term growth driver:

In closing, we are encouraged about the momentum of our
business. *We’re executing on large long-term growth*
drivers, including CTV, international expansion, retail
media, our recent platform upgrade in Kokai, UID2, as well
as the upcoming US election cycle.

35. During the Q1 2024 Earnings Call, Defendant Green also underplayed
the growing competitive threat from Amazon DSP, Amazon’s competing ad
placement platform. For example, in discussing the competitive threat from Amazon,

1 Defendant Green stated that, “*I actually don’t think they’re that competitive*” in
2 response to an analyst’s question about viewers increasingly watching walled-off
3 advertisements on Amazon Prime:

4 So I’d love to see them evolve. Actually, not too dissimilarly
5 from what we’ve seen from Roku. To see them evolve to a
6 place where they embrace the Open Internet, embrace those
7 common currency, so that advertisers can bring their own data
8 to bear, and then they would get higher CPMs, they could
9 have a lighter ad load, they could have a better ad experience,
10 and all of that would be good for Prime Video customers, but
11 there’s a lot that has to happen.

12 Until that happens, *I actually don’t think they’re that
13 competitive. And I think all the other players have a much
14 more competitive offering to the most premium advertisers,
15 which is what television is really all about. And tell them, I
16 think the premium supply doesn’t have quite as much of a
17 surplus as there could be if Amazon embrace that, and I
18 think we’re going to see it take a little while before we get
19 there.*

20 36. Defendant Green further touted Trade Desk’s competitive advantages:

21 *Advertisers want a competitive market with price discovery,
22 because they want to own their own future. It is easier than
23 ever for advertisers to understand who is delivering value at
24 all points of the digital advertising supply chain. And they
25 will increasingly gravitate to those who are helping them
26 make the most of every advertising dollar with transparency
27 and objectivity.*

28 Of course, this is all made possible by our profitable business
model, which generates significant cash flow, which in turn
allows us to invest in the major platform upgrades that
characterize Kokai.

So while I believe 2024 will be remembered as a year of great
tech-driven disruption in our industry, I also believe it is a
year that The Trade Desk will continue to differentiate itself
from its competitors and continue to outpace the market. *As
the industry races toward \$1 trillion TAM, we are incredibly
well-positioned to take more than our fair share.*

37. Two days later, on May 10, 2024, Trade Desk filed a quarterly report on
Form 10-Q with the SEC, reporting the Company’s financial and operating results for
the quarter ended March 31, 2024 (the “Q1 2024 10-Q”). The Q1 2024 10-Q touted
the updates to the Kokai platform as enhancing its competitive position:

1 Our platform system applications are complex, multi-faceted
2 and include applications that are highly customized in order
3 to serve and support our clients, advertising inventory and
4 data suppliers, as well as support our financial reporting
5 obligations. ***We regularly make improvements to our
6 platform to maintain and enhance our competitive position.***

7 38. While the Q1 2024 10-Q discussed “superior competitive offerings” as a
8 risk factor affecting Trade Desk’s performance, Defendants downplayed the severity
9 of the negative impacts of this factor on the Company’s short- and long-term
10 prospects, merely warning of risks that “may” or “could” materialize “if” certain
11 aggravating conditions occurred:

12 If we fail to innovate or make the right investment decisions
13 in our offerings and platform, we may fail to attract and retain
14 advertisers and advertising agencies and our revenue and
15 results of operations may decline.

16 Our industry is subject to rapid and frequent changes in
17 technology and laws governing our activities, evolving client
18 needs and expectations and the frequent introduction by our
19 competitors of new and enhanced offerings. ***If new or
20 existing competitors have more attractive offerings, we may
21 lose clients or clients may decrease their use of our platform.***
22 New client demands, ***superior competitive offerings*** or new
23 industry standards could require us to make unanticipated and
24 costly changes to our platform or business model. We must
25 constantly make investment decisions regarding offerings and
26 technology to meet client demand and evolving industry and
27 legal standards. We may make bad decisions regarding these
28 investments. ***Furthermore, even if we believe that our
investments improve upon our platform and offerings, such
as updates to our various platform features and user
interface, they may nevertheless fail to meet new or existing
client expectations or preferences, which could result in
decreased client adoption or use of our platform.***

This risk factor was false or misleading because competition from Amazon had
already begun to affect the Company’s revenue. Therefore, this very risk had
materialized during the Class Period.

39. Appended as exhibits to the Q1 2024 10-Q were signed certifications
pursuant to the Sarbanes-Oxley Act of 2002 (“SOX”), wherein the Individual
Defendants certified that the Q1 2024 10-Q “does not contain any untrue statement of
a material fact or omit to state a material fact necessary to make the statements made,

1 in light of the circumstances under which such statements were made, not misleading
2 with respect to the period covered by this report;” and that “the financial statements,
3 and other financial information included in this report, fairly present in all material
4 respects the financial condition, results of operations and cash flows of the [Company]
5 as of, and for, the periods presented in this report[.]”

6 40. On May 17, 2024, Defendant Jacobson participated in the LUMA
7 Partners’ Digital Media Summit (“DMS by LUMA 2024 Conference”). During the
8 DMS by LUMA 2024 Conference, Defendant Jacobson made the following remarks
9 about the Kokai update:

10 I mean even just in the past few weeks we’ve had announced
11 expansions in our partnership with Disney with Roku with
12 LG. There’s so many of them that continue to lean in and
embrace programmatic and it’s because of the results that
advertisers get.

13 Of course we’re working to continue to innovate that, so we
14 talked about *Kokai, which is the upgrade of our platform
and one of the components there is something we call the
15 sellers and Publishers 500 plus. That’s pulling together the
best access of inventory across the open internet to make it
16 easy for advertisers to buy and in a brand-suitable way that
still transparently delivers performance.*

17 41. During the DMS by LUMA 2024 Conference, Defendant Jacobson also
18 made the following statements about the competitiveness of the Kokai platform:

19 We believe in transparency. We believe in giving our
20 advertisers choice, but we also recognize the value of machine
learning or AI which is why we’ve pulled in the opportunity
21 for advertisers to bring incredible first-party data assets to
bear. *We of course want to complement that with the
22 amazing retail assets that we have available on the platform
as well as other third-party offerings and then we want to
23 make sure that we’re enriching that with AI, so we do that
through what we call Kokai* because we recognize that we
24 don’t want to have the legacy approach of saying I’m going
to select an audience provider based on whomever had the
most interesting PowerPoint that came to my office last week
25 or I’m going to scroll and click through and I’m going to hit
anything that has the word fast food in it.

26 You want machine learning to be put to work on your behalf
27 to help select the right data assets based on what your
campaign is trying to do to make sure you’re advertising at
28 the optimal price point for those impressions, to make sure

1 you understand who you're advertising to but there also needs
 2 to be transparency and accountability it can't just be don't
 3 worry I have this black box and out the other side I'll let you
 4 know how well I did which is why we provide event level data
 5 which is why we work with so many amazing third-party
 6 providers, which is why we give advertisers data themselves
 7 so they can do their own analysis or marry it with other assets
 8 they have. So to me I think that yes ***machine learning or AI***
 9 ***has a place but it can't replace transparency and trust I***
 10 ***think that's at the epicenter of everything we do.***

11 42. On August 8, 2024, after the markets closed, Trade Desk issued a press
 12 release announcing its financial results for the second quarter of 2024 (the "Q2 2024
 13 Press Release"), reporting second quarter revenue of \$585 million and 26% revenue
 14 growth year-over-year. In the Q2 2024 Press Release, Defendant Green emphasized
 15 that as Kokai continues to roll out, the Company is "***intuitively surfacing value for***
 16 ***advertisers, integrating data into every decision, advancing the full power of AI as***
 17 ***a co-pilot, and enabling advertisers to maximize the potential of their first party***
 18 ***data.***"

19 43. In the Q2 2024 Press Release, Defendant Green made the following
 20 remarks concerning Trade Desk customers' ramp-up of Kokai:

21 Q2 was another strong quarter for The Trade Desk, with
 22 revenue of \$585 million, representing 26% year-over-year
 23 growth. We've made significant strides in CTV, retail media
 24 and identity, empowering the world's largest brands to buy
 25 premium media on the open internet with unprecedented
 26 agility and precision. ***As Kokai ramps, we're intuitively***
 27 ***surfacing value for advertisers, integrating data into every***
 28 ***decision, advancing the full power of AI as a co-pilot, and***
enabling advertisers to maximize the potential of their first
party data. With ongoing innovations in Kokai, the wide-
spread adoption of UID2, and the expanding use of retail data,
we will continue to deliver exceptional value to advertisers
and grow our leadership in key high growth markets such
as CTV.

29 44. In the Q2 2024 Press Release, Trade Desk also touted the competitive
 30 advantages that it had against other CTV advertising platforms like Amazon DSP,
 31 which participates on both the demand-site and supply-side of advertising auctions:

32 The Trade Desk offers the largest CTV inventory marketplace
 33 in the industry, giving advertisers unmatched access to
 34 premium content across major networks and ad-supported

1 streaming services around the world. ***Because we do not***
2 ***compete in content or supply, we have built lasting***
3 ***relationships with premium publishers to help brands***
4 ***confidently engage their audiences and drive measurable***
5 ***results.***

6 45. During the corresponding earnings call held that same day (the “Q2 2024
7 Earnings Call”), Defendant Green touted Kokai’s use case, stating:

8 In order to help advertisers think about efficacy in new ways
9 and to help them take advantage of the premium open Internet
10 where consumers are most leaned in, after years of
11 development, we launched our most ambitious platform to
12 date, Kokai. Kokai allows our clients to deploy data about
13 their most loyal customers and then use that data as a seed to
14 grow and harvest the next generation of loyal customers.

15 46. During Q2 2024 Earnings Call, Defendant Green made the following
16 statements concerning the Kokai platform:

17 Our relationships with the world’s leading brands and their
18 agencies are only getting stronger. It’s one of the key reasons
19 we continue to ***significantly outperform the market*** and why
20 I believe we’ll continue to gain share in the years ahead.

21 And we are thrilled and thankful to be partnering with the
22 world’s most forward-thinking marketers as we bring that
23 value to life. We believe we’ve aligned our interest with
24 theirs, creating a very bright future for both of us. Let me
25 bring my remarks to a close by summarizing what all of this
26 means for us and why I believe ***The Trade Desk is positioned***
27 ***so well to capture more than our fair share of that \$1 trillion***
28 ***TAM. We’re in the midst of a period of tremendous change***
in our industry, change that’s the result of macro market
pressures as well as rapid innovation, such as Kokai.

During the second quarter, we continued to invest in our team,
our platform and our infrastructure to support sustained
growth. Thanks to our careful management of operating
expenses in recent years, ***we are well positioned to innovate***
our platform, invest in cutting edge technologies like AI,
expand our teams and further distance ourselves from
competitors.

47. During the Q2 2024 Earnings Call, regarding the Kokai rollout, Defendant
Green further stated, ***“I’ve been incredibly encouraged by the early results from***
Kokai[,]” while highlighting that the “campaigns that have moved from Solimar to
Kokai in aggregate, incremental reach is up more than 70%[,]” and “[c]ost per
acquisition has improved by about 27% as data elements per impression have gone up

1 by about 30%.” Defendant Green further explained that “*performance metrics have*
2 *improved by about 25 percent, helping to unlock performance budgets on our*
3 *platform for years to come.*”

4 48. Referencing his earlier remarks during the same call about “meeting with
5 many [chief marketing officers]” (“CMOs”) from global brands who are “putting a
6 premium on the efficacy of marketing.” Defendant Green stated, “*Given everything*
7 *I said about what CMOs today are trying to accomplish and the pressures that they*
8 *are under, I firmly believe that we have met the moment with Kokai.*”

9 49. During the Q2 2024 Earnings Call, Defendant Green was asked about
10 what allowed Trade Desk to outperform competitors:

11 Q: Congrats on another great quarter. Jeff, could you maybe
12 provide your high-level thoughts on the current digital ad
13 environment right now. And kind of going back to what you
14 mentioned kind of at the start of the call, what’s allowing
Trade Desk to continue to so meaningfully outperform
everyone else in gains here? Thank you.

15 A: Thanks, Shyam. Really appreciate the question. So, first,
16 let me just talk about our company before I talk about the
17 macro environment. *I don’t know that I have ever been more*
18 *proud of our team across the board, not just in our go-to-*
market teams, but of course, our engineering team, and
throughout the entire company. I don’t know that we’ve
ever been firing on all cylinders in the way that we are right
now.

19 And that has absolutely been essential in this environment,
20 because we’ve never had more change, especially in CTV, in
21 a three- to four-month period that we’ve had. All good
22 things coming at us, just lots of opportunity, but responding
23 to it all and adjusting to it all is something that I think our
team has done really, really well. One thing that I do want to
highlight at a macro level that I think makes us different than
other players in the space is that we are not a destination, and
we are not sell-side.

24 So, often we get compared to other companies that are
25 dependent on ads, but they are destinations, whether they are
26 an app, or whether they’re a mobile company, or whether
27 they’re a website. People are trying to go to those to those
28 destinations, and then they have added inventory that they
have sell in moments. We are not a destination, or a B2B
company that represents buyers.

1 So, there is a big difference right now between the sell-side
2 and the buy-side. And we're seeing some changes on the sell-
3 side in almost every category, but we're not on the sell-side,
4 we're on the buy-side. And **as a result of that, I believe**
5 **that The Trade Desk is in a stronger position than we have**
6 **ever been before.**

7 50. During the Q2 2024 Earnings Call, Defendant Schenkein made the
8 following statement about Kokai as a key growth driver:

9 In closing, we are extremely pleased with our strong
10 performance in the second quarter and throughout the first
11 half of the year. The opportunity ahead of us has never been
12 more promising. We are positioned within a large and
13 expanding market, supported by a business model that
14 consistently delivers robust top line growth, significant
15 profitability and strong cash flow.

16 With **key growth drivers** such as CTV, retail media,
17 international expansion, a strong identity strategy, and **a**
18 **major product upgrade with Kokai, we remain confident**
19 **and optimistic about our future as we navigate the second**
20 **half of this year, and look forward to 2025 and beyond.**

21 51. That same day, Trade Desk filed a quarterly report on Form 10-Q with the
22 SEC, reporting the Company's financial and operating results for the quarter ended
23 June 30, 2024 (the "Q2 2024 10-Q"). The Q2 2024 10-Q touted the updates to the
24 Kokai platform as enhancing its competitive position:

25 Our platform system applications are complex, multi-faceted
26 and include applications that are highly customized in order
27 to serve and support our clients, advertising inventory and
28 data suppliers, as well as support our financial reporting
obligations. **We regularly make improvements to our**
platform to maintain and enhance our competitive position.

52. Appended as exhibits to the Q2 2024 10-Q were substantively the same
risk factors and SOX certifications signed by the Individual Defendants as referenced
in ¶¶ 38-39, *supra*. These risk factors were false or misleading because competition
from Amazon had already begun to affect the Company's revenue. Therefore, these
very risks had materialized during the Class Period.

53. On November 7, 2024, after the markets closed, Trade Desk issued a press
release announcing its financial results for the third quarter of 2024 (the "Q3 2024
Press Release"). Trade Desk reported third quarter revenue of \$628 million and

1 provided fourth quarter revenue guidance of \$756 million. In the Q3 2024 Press
2 Release, Defendant Green stated, “[T]he performance improvements that our clients
3 are seeing with Kokai—our largest platform upgrade to date—showcase the value of
4 audience-driven, AI-enabled innovation.”

5 54. During the corresponding earnings call held that same day (the “Q3 2024
6 Earnings Call”), Defendant Green once again assured investors that “[w]e are already
7 *seeing the results of Kokai performance today*, but we’re just getting started.”
8 Defendant Schenkein further touted that “[k]ey investment initiatives, including
9 *performance advancements in our Kokai platform . . . are not only strengthening*
10 *our foundation, but position us for durable growth in 2025 and beyond.*”

11 55. During the question-and-answer portion of the call, Defendant Green was
12 asked about Kokai by an RBC Capital analyst:

13 Q: What type of work does it take to help CMOs and the users
14 understand the metrics coming out of Kokai but also to kind
15 of gain trust around them? I know that’s been a challenge in
16 some other walled garden platforms, so people trusting the
17 attribution data.

18 A: I really appreciate the question because I think this is one
19 of the more nuanced ways that we have just so much
20 opportunity in front of us. . . . *But the state of measurement*
21 *is that walled gardens have essentially been grading their*
22 *own homework for many, many years. And one of the things*
23 *that they’ve done really well is convinced people to use their*
24 *own metrics and kept things quite simple. But at times,*
25 *that’s been really difficult for some of the biggest brands in*
26 *the world because they’ll be told by a walled garden, we help*
27 *you sell 101 toothbrushes, when the company actually only*
28 *sold 100 toothbrushes total.*

56. Defendant Green further touted the growing adoption of Kokai:

I’m incredibly proud of our performance in the third quarter,
and we are currently firing on all cylinders, whether that’s
what’s happening in CTV, it being both our largest channel
and our fastest growing which those two themes don’t usually
go hand in hand, or the amazing efforts in Kokai.

It started the year as an engineering effort, and it since
turned into both an engineering effort as well as our sales
and client services teams getting that adopted. The adoption
has been phenomenal. The product is the best that we’ve

1 ever shipped. So, a lot going for us in that. UID2 has become
2 the primary currency of identity in the open Internet.

3 57. That same day, Trade Desk filed a quarterly report on Form 10-Q with the
4 SEC, reporting the Company's financial and operating results for the quarter ended
5 September 30, 2024 (the "Q3 2024 10-Q"). The Q3 2024 10-Q touted the updates to
6 the Kokai platform as enhancing its competitive position:

7 Our platform system applications are complex, multi-faceted
8 and include applications that are highly customized in order
9 to serve and support our clients, advertising inventory and
10 data suppliers, as well as support our financial reporting
11 obligations. *We regularly make improvements to our
12 platform to maintain and enhance our competitive position.*

13 58. Appended as exhibits to the Q3 2024 10-Q were substantively the same
14 risk factors and SOX certifications signed by the Individual Defendants as referenced
15 in ¶¶ 38-39, *supra*. These risk factors were false or misleading because competition
16 from Amazon had already begun to affect the Company's revenue. Therefore, these
17 very risks had materialized during the Class Period.

18 59. Defendants' statements referenced in ¶¶ 29-58 were materially false and
19 misleading because they failed to disclose that: (i) Trade Desk was experiencing
20 significant performance issues with the Kokai platform that were negatively impacting
21 customer adoption; (ii) Trade Desk was deliberately slowing the pace of its Kokai
22 rollout to maximize short-term profits; (iii) competition from Amazon and other
23 competing platforms was taking substantial market share away from Trade Desk; and
24 (iv) Trade Desk's engineering and sales teams were not adequately structured to
25 support the Kokai rollout and fend off mounting competition.

26 **The Truth Is Revealed to Investors**

27 60. The truth about the Company's unsuccessful Kokai rollout and its loss of
28 market share to competing platforms was revealed to the market on February 12,
2025. On that date, Trade Desk issued a press release announcing its financial results
for the fourth quarter and full year of 2024, ended December 31, 2024. In the press
release, Trade Desk reported fourth quarter revenue of \$741 million—below the

1 Company's previously issued guidance of \$756 million and analysts' consensus
2 estimate of \$759.8 million. Additionally, Trade Desk provided revenue guidance of
3 at least \$575 million for the first quarter of 2025, missing analysts' estimates of
4 \$581.5 million.

5 61. In the press release, Defendant Green stated, "[W]e are disappointed that
6 we fell short of our own expectation in the fourth quarter." Moreover, Defendant
7 Green explained that the Company "undertook a reorganization to accelerate
8 opportunities across CTV, retail media, identity, supply chain optimization, and
9 audio[,] while forging ahead with innovations like Kokai."

10 62. During the corresponding earnings call held that same day (the "Q4 2024
11 Earnings Call"), Defendant Green disclosed that Trade Desk has yet to onboard all of
12 its clients onto Kokai, stating:

13 We'll move 100% of our clients to Kokai this year. Now the
14 majority already have. But today, we're maintaining 2
15 systems, Solimar and Kokai. This slows us down. Kokai is
16 more effective in almost every way.

17 63. During the Q4 2024 Earnings Call, Defendant Green also made the
18 following remarks about the Company's reorganization:

19 If this were a sporting event, we'd still have a championship
20 caliber team. But in this particular game, we turned over the
21 ball too many times. That said, we see a larger and faster
22 growing market than we originally expected, which is why we
23 have been making changes and will continue to do so. Simply
24 put, as you've seen before, as companies grow and become
25 increasingly complex, they need recalibration to unlock new
26 opportunities. We are recalibrating our larger company for an
27 even stronger future.

28 In that effort, I want to highlight four major changes we've
made at The Trade Desk in the last few months and some
related initiatives that accompany them. First, we did the
largest reorganization in company history in December.
While we often make structural changes at the end of the year
to improve our business, this was bigger than usual. For most
people in the company, we provided a much clearer view of
their roles and responsibilities, and for most, that also meant
a change in reporting structure. Additionally, we streamlined
client facing teams, reducing complexity, and clarifying
responsibilities. Some team focus on brands, while others
focus on agencies. Our commitment to agencies remains
strong, but we are also expanding brand direct relationships,

1 particularly through joint business plans, which grow 50%
2 faster than the rest of our business.

3 Second, beyond structural improvements, we placed
4 a stronger emphasis on internal effectiveness and scalability.
5 Over the past two months, leadership has spent more time
6 discussing operational improvements than at any other point
7 in our history. While we've historically been focused on
8 external opportunities, we understand that this moment
9 requires us to scale our internal operations and continue hiring
10 senior talent to support long-term growth. These changes
11 position us to execute at a higher level and capitalize on the
12 expanding market opportunities ahead.

13 Third, we have increased our resource allocation on brands.
14 A broader shift is occurring in the industry. Advertisers are
15 becoming more strategic and data driven in their media
16 buying decisions, and that's great for us. While this shift has
17 caused short-term fluctuations, it's ultimately aligned with
18 our long-term strengths. We recognize that advertising will
19 ebb and flow. At the same time, as advertisers prioritize
20 precision and efficacy, our programmatic data-driven plat-
21 form is becoming more essential than ever to brands and
22 agencies.

23 This is evident in the growing number of joint business plans
24 or JBPs that we've secured with over 100 of the world's
25 leading brands, many of them in the second half of last year.
26 JBPs provide a structured, mutually beneficial framework for
27 brands, their agencies and The Trade Desk, and they reinforce
28 the long-term value we bring to the industry. They also
historically grow faster than the rest of our business.

Fourth, we revamped our product development process,
shifting back to smaller agile teams that release updates
weekly instead of drifting towards waterfall methods, which
are less conducive to our fast-paced and changing industry.
Our engineering team is now divided into nearly 100 scrum
teams with a system to more easily ship and collaborate with
the business team on what has shipped and what will ship and
when. I expect this to continue to accelerate Kokai enhance-
ments and complete the transition of 100% of our clients from
Solimar to Kokai during this calendar year.

64. During that same call, in response to a Cannonball Research analyst
expressing concern regarding "issues with Kokai rollout pace," Defendant Green
plainly stated, "you're right, that Kokai rolled out slower than we anticipated."
However, while addressing that same analyst's question, Defendant Green later
explained that "in some cases, the slower Kokai rollout was deliberate."

1 65. Analysts swiftly reacted to the disappointing pace of the Kokai rollout.
2 For example, in a report titled “Debate Leads To Doghouse,” Wedbush Securities
3 analysts cut their price targets and reported:

4 Management attributed the miss in 4Q to a series of several,
5 small execution mistakes (including a delayed rollout of the
6 company’s Kokai platform) while Q1 guidance signals
management has decided to more aggressively invest in
strategic initiatives this year.

7 66. Additionally, in a report titled “Too Many Turnovers, On To The Next,”
8 Cantor Fitzgerald analysts also cut their price targets and noted that “slower rollout of
9 Kokai (missed 50% EOY adoption goal) also weighed on 4Q revs.”

10 67. Moreover, William Blair analysts published a report in response to the
11 disclosure, highlighting the fact that “the company is maintaining two systems: Kokai
12 and Solimar. While the majority of clients are already exclusively using Kokai, select
13 clients are still utilizing Solimar but plan to shift by the end of 2025.”

14 68. Analysts were also concerned about Trade Desk’s mounting competition.
15 For example, analysts at RBC Capital Markets stated that the “results likely build on
16 investor competitive concerns.” Wedbush Securities analysts noted that “the
17 underperformance in the quarter amplifies a number of recent debates, including the
18 strength of the company’s competitive position.” Similarly, analysts at Needham &
19 Co. stated that they had conducted channel checks suggesting that competing DSPs
20 “have been taking business away from TTD, starting in 2H24.”

21 69. On this news, the price of Trade Desk Class A common stock dropped
22 \$40.31 per share, or more than 32%, from a closing price of \$122.23 per share on
23 February 12, 2025, to a closing price of \$81.92 per share on February 13, 2025.

24 70. As a result of Defendants’ wrongful acts and omissions, and the
25 precipitous decline in the market value of the Company’s securities, Plaintiff and other
26 Class members have suffered significant losses and damages.

1 **ADDITIONAL SCIENTER ALLEGATIONS**

2 71. As alleged herein, Defendants acted with scienter in that Defendants
3 knew, or recklessly disregarded, that the documents and public statements they issued
4 and disseminated to the investing public in the name of the Company, or in their own
5 name, during the Class Period were materially false and misleading. Defendants
6 knowingly and substantially participated or acquiesced in the issuance or
7 dissemination of such statements and documents as primary violations of the federal
8 securities laws. Defendants, by virtue of their receipt of information reflecting the
9 true facts regarding Trade Desk, and their control over and/or receipt and/or
10 modification of Trade Desk’s materially false and misleading statements, were active
11 and culpable participants in the fraudulent scheme alleged herein.

12 72. Defendants knew or recklessly disregarded the false and misleading
13 nature of the information they caused to be disseminated to the investing public. The
14 fraudulent scheme described herein could not have been perpetrated during the Class
15 Period without the knowledge and complexity of, or at least the reckless disregard by,
16 personnel at the highest levels of the Company, including the Individual Defendants.

17 73. The Individual Defendants, because of their positions with Trade Desk,
18 controlled the contents of Trade Desk’s public statements during the Class Period.
19 The Individual Defendants were each provided with or had access to the information
20 alleged herein to be false and misleading prior to or shortly after its issuance and had
21 the ability and opportunity to prevent its issuance or cause it to be corrected. Because
22 of their positions and access to material, non-public information, the Individual
23 Defendants knew or recklessly disregarded that the adverse facts specified herein had
24 not been disclosed to and were being concealed from the investing public and that the
25 positive representations that were being made were false and misleading. As a result,
26 each of the Defendants is responsible for the accuracy of Trade Desk’s corporate
27 statements and is, therefore responsible and liable for the representations contained
28 therein.

1 **LOSS CAUSATION**

2 74. During the Class Period, as detailed herein, Trade Desk and the Individual
3 Defendants made false and misleading statements and omissions, and engaged in a
4 scheme to deceive the market. These false and misleading statements and omissions
5 artificially inflated the price of Trade Desk common stock and operated as a fraud or
6 deceit on the Class (as defined below). Later, when Defendants' prior
7 misrepresentations and fraudulent conduct were disclosed to the market, the price of
8 Trade Desk common stock fell significantly. As a result of their purchases of Trade
9 Desk common stock during the Class Period, Plaintiff and other members of the Class
10 suffered economic loss, *i.e.*, damages, under the federal securities laws.

11 **CLASS ACTION ALLEGATIONS**

12 75. Plaintiff brings this action as a class action pursuant to Federal Rule of
13 Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who
14 purchased or otherwise acquired Trade Desk common stock during the Class Period
15 (the "Class"); and were damaged upon the revelation of the alleged corrective
16 disclosures. Excluded from the Class are Defendants herein, the officers and directors
17 of the Company, at all relevant times, members of their immediate families and their
18 legal representatives, heirs, successors or assigns and any entity in which Defendants
19 have or had a controlling interest.

20 76. The members of the Class are so numerous that joinder of all members is
21 impracticable. The disposition of their claims in a class action will provide substantial
22 benefits to the parties and the Court. As of January 31, 2025, 452,425,879 shares of
23 Trade Desk's Class A common stock were outstanding, owned by thousands of
24 investors. Throughout the Class Period, Trade Desk common stock were actively
25 traded on the NASDAQ. While the exact number of Class members is unknown to
26 Plaintiff at this time and can be ascertained only through appropriate discovery,
27 Plaintiff believes that there are hundreds or thousands of members in the proposed
28 Class. Record owners and other members of the Class may be identified from records

1 maintained by Trade Desk or its transfer agent and may be notified of the pendency
2 of this action by mail, using the form of notice similar to that customarily used in
3 securities class actions.

4 77. There is a well-defined community of interest in the questions of law and
5 fact involved in this case. Questions of law and fact common to the members of the
6 Class which predominate over questions which may affect individual Class members
7 include:

- 8 (a) Whether Defendants violated the Exchange Act;
- 9 (b) Whether Defendants' statements and/or actions misrepresented
10 material facts;
- 11 (c) Whether Defendants' statements and/or actions omitted material
12 facts necessary in order to make the statements made, in light of the circumstances
13 under which they were made, not misleading;
- 14 (d) Whether Defendants knew or recklessly disregarded that their
15 statements, actions, and/or omissions were false and misleading;
- 16 (e) Whether Defendants' misconduct impacted the price of Trade Desk
17 securities;
- 18 (f) Whether Defendants' conduct caused the members of the Class to
19 sustain damages; and
- 20 (g) The extent of damages sustained by Class members and the
21 appropriate measure of damages.

22 78. Plaintiff's claims are typical of those of the Class as all members of the
23 Class are similarly affected by Defendants' wrongful conduct in violation of federal
24 law that is complained of herein.

25 79. Plaintiff will adequately protect the interests of the Class and has retained
26 counsel experienced in class action securities litigation. Plaintiff has no interests
27 which conflict with those of the Class.

28

1 80. A class action is superior to other available methods for the fair and
2 efficient adjudication of this controversy.

3 **INAPPLICABILITY OF STATUTORY SAFE HARBOR**

4 81. The statutory safe harbor provided for forward-looking statements under
5 certain circumstances does not apply to any of the allegedly false statements pleaded
6 in this Complaint. The statements alleged to be false and misleading herein all relate
7 to then-existing facts and conditions. In addition, to the extent certain of the
8 statements alleged to be false may be characterized as forward looking, they were not
9 identified as “forward-looking statements” when made and there were no meaningful
10 cautionary statements identifying important factors that could cause actual results to
11 differ materially from those in the purportedly forward-looking statements. In the
12 alternative, to the extent that the statutory safe harbor is determined to apply to any
13 forward-looking statements pleaded herein, Defendants are liable for those false
14 forward-looking statements because at the time each of those forward-looking
15 statements were made, the speaker had actual knowledge that the forward-looking
16 statement was materially false or misleading, and/or the forward-looking statement
17 was authorized or approved by an executive officer of Trade Desk who knew that the
18 statement was false when made.

19 **PRESUMPTION OF RELIANCE**

20 82. Plaintiff will rely, in part, upon the presumption of reliance established by
21 the fraud-on-the-market doctrine. At all relevant times, the market for Trade Desk
22 common stock was an efficient market for, among other things, the following reasons:

23 (a) Trade Desk common stock met the requirements for listing, and was
24 listed and actively traded on the NASDAQ, a highly efficient market;

25 (b) As a regulated issuer, Trade Desk filed periodic public reports with
26 the SEC and NASDAQ;

27 (c) Trade Desk regularly and publicly communicated with investors via
28 established market communication mechanisms, including through regular

1 disseminations of press releases on the national circuits of major newswire services and
2 through other wide-ranging public disclosures, such as communications with the
3 financial press and other similar reporting services; and

4 (d) Trade Desk was followed by several securities analysts employed
5 by major brokerage firm(s) who wrote reports which were distributed to the sales force
6 and certain customers of their respective brokerage firm(s) and which were distributed
7 to the sales force and certain customers of their respective brokerage firm(s). Each of
8 these reports was publicly available and entered the public marketplace.

9 83. As a result of the foregoing, the market for Trade Desk common stock
10 promptly digested current information regarding Trade Desk from publicly available
11 sources and reflected such information in the price of Trade Desk common stock.
12 Under these circumstances, all purchasers of Trade Desk common stock during the
13 Class Period suffered similar injury through their purchase of Trade Desk common
14 stock at artificially inflated prices and the presumption of reliance under the fraud-on-
15 the-market doctrine applies.

16 84. Further, at all relevant times, Plaintiff and other Class members relied on
17 Defendants to disclose material information as required by law. Plaintiff and other
18 Class members would not have purchased or otherwise acquired Trade Desk common
19 stock at artificially inflated prices if Defendants had disclosed all material information
20 as required by law. Thus, to the extent that Defendants concealed or improperly failed
21 to disclose material facts concerning the Company and its business, Plaintiff and other
22 Class members are entitled to a presumption of reliance in accordance with *Affiliated*
23 *Ute Citizens of Utah v. United States*, 406 U.S. 128, 153 (1972).

24 **COUNT I**

25 **(Violations of Section 10(b) of the Exchange Act and Rule 10b-5**
26 **Promulgated Thereunder Against All Defendants)**

27 85. Plaintiff repeats and re-alleges each and every allegation contained above
28 as if fully set forth herein.

1 86. This Count is asserted against Defendants and is based upon Section 10(b)
2 of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by
3 the SEC.

4 87. During the Class Period, Defendants disseminated or approved the false
5 statements specified above, which they knew or recklessly disregarded were
6 misleading in that they contained misrepresentations and failed to disclose material
7 facts necessary in order to make the statements made, in light of the circumstances
8 under which they were made, not misleading.

9 88. Defendants violated Section 10(b) of the Exchange Act and Rule 10b-5 in
10 that they:

- 11 (a) Employed devices, schemes, and artifices to defraud;
- 12 (b) Made untrue statements of material facts or omitted to state material
13 facts necessary in order to make the statements made, in light of the circumstances
14 under which they were made, not misleading; or
- 15 (c) Engaged in acts, practices, and a course of business that operated
16 as a fraud or deceit upon Plaintiff and others similarly situated in connection with their
17 purchases of Trade Desk common stock during the Class Period.

18 89. Plaintiff and the Class have suffered damages in that, in reliance on the
19 integrity of the market, they paid artificially inflated prices for Trade Desk common
20 stock. Plaintiff and the Class would not have purchased Trade Desk common stock at
21 the prices they paid, or at all, if they had been aware that the market prices had been
22 artificially and falsely inflated by Defendants' misleading statements.

23 90. As a direct and proximate result of these Defendants' wrongful conduct,
24 Plaintiff and the other members of the Class suffered damages in connection with their
25 purchases of Trade Desk common stock during the Class Period.

26 91. By virtue of the foregoing, Defendants violated Section 10(b) of the
27 Exchange Act and Rule 10b-5, promulgated thereunder.

28

COUNT II

**(Violations of Section 20(a) of the Exchange Act
Against the Individual Defendants)**

92. Plaintiff repeats and realleges the allegations contained in ¶¶ 1-91 as if fully set forth herein.

93. The Individual Defendants acted as controlling persons of Trade Desk within the meaning of Section 20(a) of the Exchange Act. By virtue of their positions and their power to control public statements about Trade Desk, the Individual Defendants had the power and ability to control the actions of Trade Desk and its employees. By reason of such conduct, Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment against Defendants as follows:

A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiff as the Class representative;

B. Requiring Defendants to pay damages sustained by Plaintiff and the Class by reason of the acts and transactions alleged herein;

C. Awarding Plaintiff and the other members of the Class prejudgment and post-judgment interest, as well as their reasonable attorneys’ fees, expert fees and other costs; and

D. Awarding such other and further relief as this Court may deem just and proper.

DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands a trial by jury.

DATED: March 5, 2025

Respectfully submitted,

/s/ Lucas E. Gilmore

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